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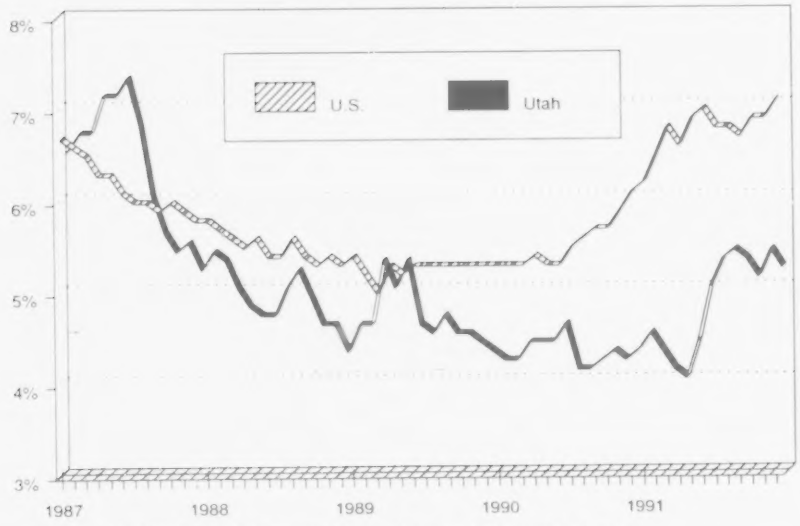
Utah Labor Market Report

December 1991
Volume 1, No. 12

Seasonally Adjusted Unemployment Rates



Source: Utah Department of Employment Security, Labor Market Information Services

Utah bucks the national trend with declining unemployment

While Utah's jobless rate remains relatively low, growth in jobs—often a better indicator of economic health—has slowed substantially during the last 12 months. Still Utah continues to far out-pace the nation.

Utah unemployment dropped to 5.2 percent in December, bucking the national trend of rising job losses. Fewer new and re-entrants to the labor force helped produce a lower unemployment rate. Utah's unemployment rate now registers almost 2 percentage points below the national average of 7.1 percent. However, about 41,400 Utahns were out of work in the last month of 1991—7,200 more than in December 1990. In addition, the State's jobless rate is up almost a full percentage point from the low December 1990 figure of 4.3 percent.

Despite the rise in unemployment during 1991, Utah remains in relatively good economic shape compared to the U.S. as a whole. The bi-coastal recession has landed a few good blows to Utah's economy; but even with the added impact of cuts in defense spending, it certainly hasn't scored a knockout. A lot the economic gloom and doom being bandied about fails to take a broader perspective—joblessness in this State has averaged 6.2 percent over the past 10 years—a point higher than the current rate.

Of course, the State is experiencing some economic difficulties. Growth in Utah's nonagricultural jobs continued to slide in December. Since December 1990, Utah has created 17,300 new jobs—an increase of 2.3 percent. Expansion has slowed considerably since the beginning of 1991 when job growth was averaging 4 percent—thanks to the effects of a national recession and cutbacks in defense spending. However, most major industries continue to show moderate growth. Keep in mind that Utah is still *creating* jobs. Only mining and manufacturing have seen overall job

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THE RATE *(Seasonally Adjusted)*

Dec 1991	Utah	5.2%	U.S.	7.2%
Nov 1991	Utah	5.4%	U.S.	6.8%
Dec 1990	Utah	4.3%	U.S.	6.1%

NONFARM JOBS *(% change from a year ago)*

Dec 1991	Utah	2.3%	U.S.	-0.7%

CPI-U *(Base Year 1982-84 = 100)*

Nov 1991	U.S.	137.8	Yr-over chng	3.0%

PPI *(Base Year 1982-84 = 100)*

Nov 1991	U.S.	116.4	Yr-over chng	-3.1%

losses. And, construction is booming.

Manufacturing has sustained the heaviest economic punches. Employment in this sector is down almost 3 percent from December 1990 for a loss of 2,900 jobs—and more layoffs have been announced. However, some of the decline in electric machinery/supplies is due to the reclassification of a large number of jobs to the wholesale trade sector. While the decline continues to be broad-based, sporting goods and jewelry manufacturing showed a 4 percent *increase*. And, announcements of new manufacturing jobs in the durable goods sector provide a positive note. Utah mining employment is also down 3 percent (300 jobs) due to several coal mine closures and layoffs.

On the positive side, the majority of Utah's industries are experiencing economic good health. The 'surprise' industry of the year is construction. Instead of slowing down, Utah construction jobs are up 9 percent and 2,700 positions from a year ago—thanks to strong residential expansion.

The services and finance/insurance/real estate industries also experienced better-than-average growth rates—about 4 percent. While service employment gains have moderated over the past several months, computer services (which include software companies), medical services, and legal services experienced growth of 7 percent or more. The 1,500-job expansion in finance/insurance/real estate resulted from several financial service centers locating within the State.

Both government and trade turned in year-over growth rates of about 2.5 percent. Despite significant defense-related federal employment cuts, growth in other public sectors gave government a 3,900 job increase when compared to December 1990. Trade employment grew by 4,600 positions—2.5 percent.

The transportation/communications/utilities industry added 500 new Utah jobs over the past 12 months for an expansion rate of slightly more than 1 percent. Most subcategories of this industry remained flat, with only railroad employment showing any significant improvement.

Some prognostications notwithstanding—the nation's economy will recover—perhaps not as fast as many would like. But, it *will* recoup its losses. Despite slower job growth, Utah still sits in an enviable position compared to most of the U.S. and should remain so throughout 1992 as the coasts begin to climb out of their economic troughs.❐

Lecia Parks Langston
Chief Economist

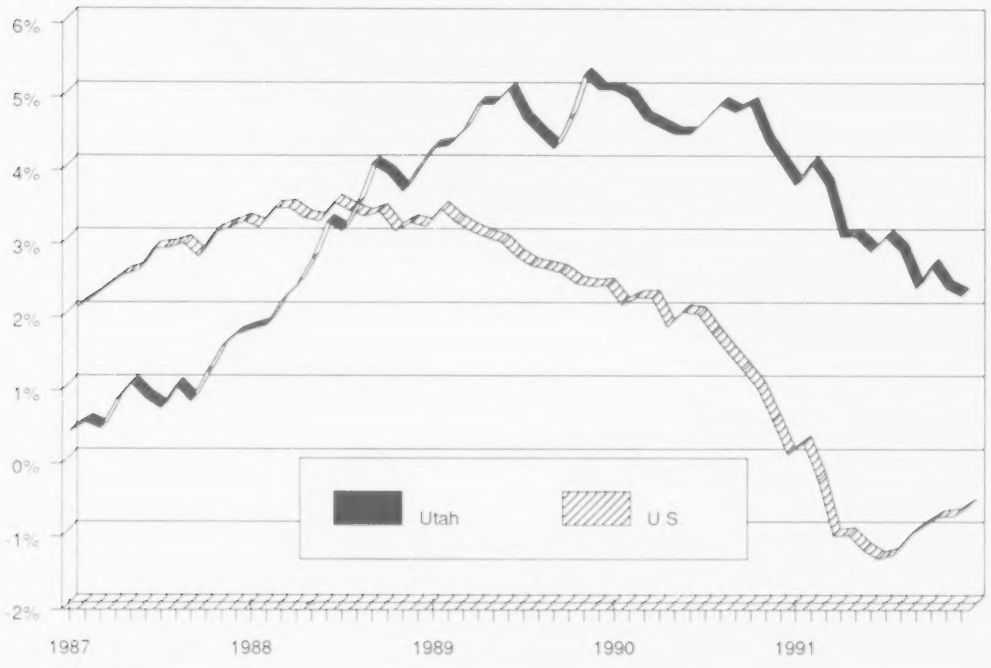
■ ***Job growth in Utah has slowed to 2.3 percent.***

■ ***Utah's jobless rate slipped two-tenths of a percentage point to 5.2 percent.***

■ ***Utah joblessness stands almost two points below the national average.***

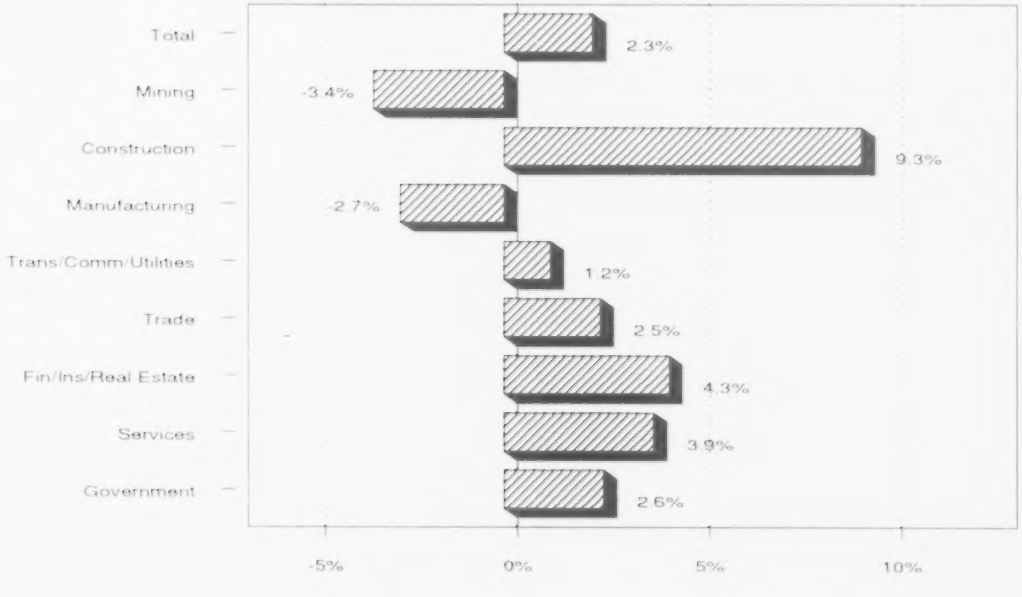
■ ***The Utah construction industry returned a strong performance—a 9 percent growth rate and 2,700 new jobs.***

Year-Over Percent Change in Utah and U.S.



Source: Utah Department of Employment Security, Labor Market Information Services

December 1990-91 Percent Growth In Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services

RAW

Table 1. Utah Civilian Labor Force and Nonagricultural Jobs, Not Seasonally Adjusted *(Numbers in Thousands)*

	Dec 19901(f)	Dec 1990	Percent Change	Nov 1991(p)	Oct 1991(r)
CIVILIAN LABOR FORCE	**812.2**	**806.5**	**0.7**	**809.0**	**807.4**
Employed	**775.2**	**775.8**	**-0.1**	**770.7**	**771.4**
Unemployed	**37.0**	**30.7**	**20.5**	**38.2**	**36.0**
Percent of Labor Force	4.6	3.8	—	4.7	4.5
NONAGRICULTURAL JOBS	**764.3**	**747.0**	**2.3**	**762.9**	**759.3**
Mining	**8.5**	**8.8**	**-3.4**	**8.5**	**8.5**
Metal Mining	3.1	3.1	0.0	3.1	3.1
Bituminous Coal Mining	2.1	2.5	-16.0	2.2	2.2
Oil/Gas Extraction & Quarrying*	3.3	3.2	3.1	3.2	3.2
Contract Construction	**31.6**	**28.9**	**9.3**	**32.8**	**33.1**
Manufacturing	**106.5**	**109.4**	**-2.7**	**106.8**	**107.5**
Durable Goods	70.4	72.3	-2.6	70.5	71.2
Primary Metals	*5.9*	*6.0*	*-1.7*	*5.9*	*5.9*
Fabricated Metals, Machinery, & Computers	*14.1*	*14.4*	*-2.1*	*14.0*	*14.1*
Electrical/Electric Equipment (ex. Computers)	*10.3*	*11.6*	*-11.2*	*10.4*	*10.6*
Transportation Equipment	*17.1*	*17.7*	*-3.4*	*17.0*	*17.2*
*Lumber/Furniture,Stone/Clay/Glass**	*10.2*	*10.3*	*-1.0*	*10.5*	*10.7*
*Other Durable Goods**	*12.8*	*12.3*	*4.1*	*12.7*	*12.7*
Nondurable Goods	36.1	37.1	-2.7	36.3	36.3
Food & Related Products	*11.8*	*12.4*	*-4.8*	*11.9*	*12.0*
*Other Nondurable Goods**	*24.3*	*24.7*	*-1.6*	*24.4*	*24.3*
Transportation, Communications, & Utilities	**43.9**	**43.4**	**1.2**	**43.4**	**43.4**
Railroad Transportation	2.7	2.4	12.5	2.7	2.7
Trucking & Warehousing	16.2	16.1	0.6	15.9	15.8
Transportation by Air*	7.2	7.1	1.4	7.1	7.1
Other Transportation & Related Services*	3.2	3.2	0.0	3.2	3.2
Communications	7.1	7.1	0.0	7.0	7.0
Electric, Gas, & Sanitary Services	7.5	7.5	0.0	7.5	7.6
Trade	**186.8**	**182.2**	**2.5**	**184.6**	**180.3**
Wholesale Trade	40.9	39.6	3.3	40.8	40.3
*Durable Goods**	*23.8*	*23.1*	*3.0*	*23.7*	*23.5*
*Nondurable Goods**	*17.1*	*16.5*	*3.6*	*17.1*	*16.8*
Retail Trade	145.9	142.6	2.3	143.8	140.0
Food Stores	*25.0*	*24.9*	*0.4*	*24.7*	*24.8*
Auto Dealers/Parts Stores, & Gas Stations	*15.8*	*15.9*	*-0.6*	*16.1*	*16.3*
Eating & Drinking Places	*45.0*	*44.1*	*2.0*	*44.6*	*44.7*
*Home Furniture/Equipment & Clothing Stores**	*14.4*	*13.0*	*10.8*	*13.7*	*12.6*
*Gen. Merchandise/Building & Garden Supply**	*25.6*	*24.9*	*2.8*	*25.0*	*22.8*
Miscellaneous Retail	*20.1*	*19.8*	*1.5*	*19.7*	*18.8*
Finance, Insurance, & Real Estate	**36.1**	**34.6**	**4.3**	**35.8**	**35.9**
Depository Institutions*	13.2	12.9	2.3	13.2	13.3
Other Finance/Insurance/Real Estate*	22.9	21.7	5.5	22.6	22.6
Services	**195.2**	**187.9**	**3.9**	**193.6**	**194.1**
Hotels & Lodging Places	12.9	12.6	2.4	12.0	12.1
Personal, Amusement & Recreational*	17.7	17.9	-1.1	17.0	17.4
Computer-Related*	9.4	8.8	6.8	9.2	9.2
Other Business Services*	32.2	31.0	3.9	32.3	32.2
Auto Repair/Rental/Parking*	6.7	6.8	-1.5	6.8	6.9
Health	50.3	46.9	7.2	50.1	49.8
Education/Social & Membership Organizations*	40.2	38.6	4.1	40.2	40.1
Legal & Miscellaneous Services	5.2	4.8	8.3	5.1	5.0
Engineering, Accounting, & Related*	15.0	15.1	0.0	15.0	15.2
Other Repair/Ag. Services & Museums, etc.*	5.5	5.4	1.9	5.9	6.2
Government	**155.7**	**151.8**	**2.6**	**157.4**	**156.5**
Federal Government	38.2	38.6	-1.0	37.8	38.3
*U.S. Defense**	*18.9*	*20.1*	*6.5*	*19.0*	*19.0*
*Other Federal**	*19.2*	*18.5*	*3.8*	*18.8*	*19.3*
State Government	43.7	42.2	3.6	45.5	44.8
*State Education**	*23.7*	*22.9*	*3.5*	*25.4*	*24.7*
*Other State**	*20.0*	*19.3*	*3.6*	*20.1*	*20.1*
Local Government	73.8	71.0	3.9	74.1	73.4
*Public School Districts**	*48.2*	*46.8*	*3.0*	*48.4*	*47.5*
*Other Local**	*25.6*	*24.2*	*5.8*	*25.7*	*25.9*

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics (BLS). NOTE: Forecast data and cells marked by an asterisk (*) are not sanctioned by BLS. Some figures are not strictly comparable due to reclassification

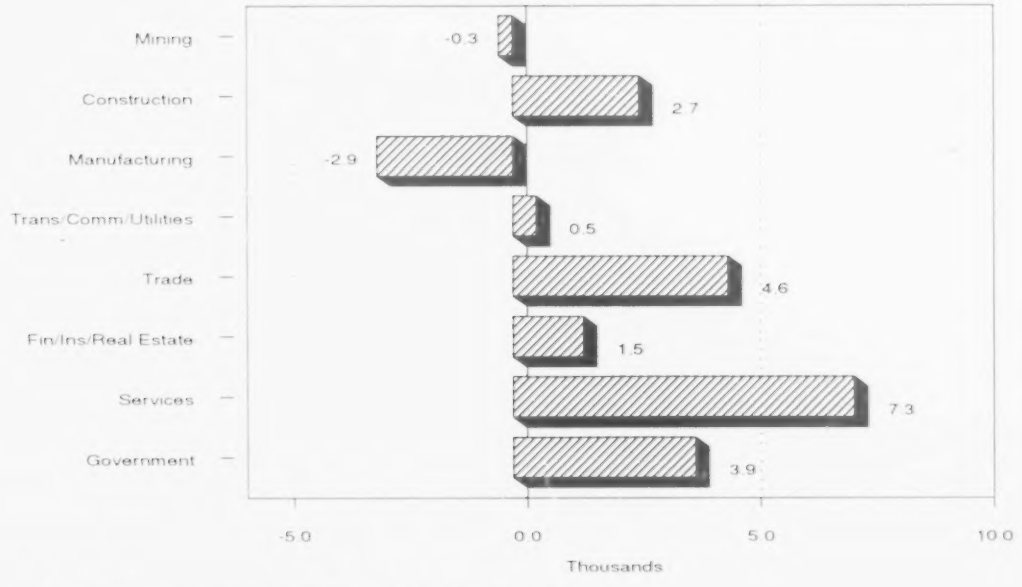
ADJUSTED

Table 2. Utah Civilian Labor Force and Nonagricultural Jobs Seasonally Adjusted *(Numbers in Thousands)*

	Dec 1991(f)	Dec 1990	Percent Change	Nov 1991(p)	Oct 1991(r)
CIVILIAN LABOR FORCE	**803.6**	**796.9**	**0.8**	**803.0**	**803.8**
Employed	**762.2**	**762.7**	**-0.1**	**759.5**	**762.7**
Unemployed	**41.4**	**34.2**	**21.1**	**43.5**	**41.1**
Percent of Labor Force	5.2	4.3	-.-	5.4	5.1
NONAGRICULTURAL JOBS	**755.7**	**738.6**	**2.3**	**753.7**	**752.8**
Mining	**8.1**	**8.3**	**-3.4**	**8.2**	**8.5**
Contract Construction	**32.3**	**29.5**	**9.3**	**31.3**	**30.3**
Manufacturing	**106.3**	**109.2**	**-2.7**	**105.9**	**106.4**
Durable Goods	70.6	72.5	-2.6	70.3	70.7
Nondurable Goods	35.7	36.7	-2.7	35.6	35.7
Trans., Comm., Public Utilities	**43.5**	**43.0**	**1.2**	**43.2**	**43.2**
Trade	**179.7**	**175.2**	**2.5**	**180.2**	**179.8**
Wholesale	40.6	39.3	3.3	40.7	40.2
Retail	139.0	135.9	2.3	139.5	139.6
Finance, Insurance & Real Estate	**36.1**	**34.6**	**4.3**	**35.9**	**36.0**
Services	**194.9**	**187.6**	**3.9**	**193.6**	**193.1**
Government	**154.8**	**150.9**	**2.5**	**155.4**	**155.5**
Federal Government	38.8	39.2	-1.0	38.5	38.8
State Government	43.1	41.6	3.6	43.9	44.1
Local Government	72.9	70.1	3.9	73.0	72.7

Source: Utah Department of Employment Security, Labor Market Information Services

November 1990-91 Growth in Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services

Economic Events

Please note: Information contained in Economic Events is obtained from regional newspapers, local Job Service offices, trade publications, clipping services, and local area Chamber of Commerce publications.

- National Semiconductor has laid off about 120 employees at its West Jordan manufacturing plant. The move is part of a worldwide realignment the company is currently undertaking. The company cited the leveling off of business in the semiconductor industry, and they do not anticipate that the business environment will improve in the near future.

- McDonnell Douglas announced that it has scaled back anticipated employment at its proposed jet assembly plant. An agreement with a Taiwan partner has prompted the reduction because part of the new jet's sub-assembly work may be transferred to Taiwan. Original employment estimates were between 7,400 to 12,300 workers, but current estimates have been scaled back to 5,000 to 10,000. Salt Lake is one of eight cities vying for the St. Louis-based airplane manufacturer's new plant.

- Salt Lake City's Litton Systems announced that it will lay off 100 workers by the first of the year. The layoffs are prompted by cutbacks in military spending. This will reduce the company's workforce in Utah to about 700 employees.

- American Pacific Corporation announced that it will build a $40 million sodium azide plant near Cedar City. Sodium azide is the principle chemical used to inflate automotive air bags. This manufacturing facility will supply Morton International's air-bag facility in northern Utah. The 40,000 square-foot plant is expected to open next summer with between 40 and 45 workers. This new plant will be American Pacific's second facility in Iron County.

- Arrow Dynamics Inc. of Clearfield, manufacturer of amusement park rides, was awarded an $8 million contract to design and manufacture the world's largest roller coaster. The roller coaster will be designed for Blackpool Pleasure Beach amusement park in Lancashire, England.❐

Most counties experience econonmic deterioration—

Economic conditions in most of Utah's counties deteriorated substantially from December 1990. In 21 of 29 counties, the unemployment rate has increased substantially (one-half point or greater). Also, 15 counties had slower year-over growth in nonfarm jobs in 1991 than in 1990. But surprisingly, job growth in nine counties was actually better in 1991 than in 1990, and unemployment rates in eight counties *did not* rise from December 1990.

Statistics for the state total also reflect deterioration: the unemployment rate is up a full point—from 4.2 to 5.2, and year-over nonfarm job growth has slowed from 4.1 percent in December 1990 to 2.3 percent in December 1991.

Salt Lake County's indicators have followed those of the state. In contrast, Weber County's unemployment rate is virtually unchanged, but it remains somewhat higher than the state average although job growth has diminished by half.

Unemployment in Utah County has increased by a point, but is still a relatively low 4.5 percent; Utah County's nonfarm job growth has slowed considerably (from 7.9 to 4.6 percent), but it is still twice the state average. Davis County's unemployment has increased only slightly and remains less than 5 percent. But, largely due to Hill Air Force Base layoffs, nonfarm jobs have increased by only one percent compared to 1990.

Among nonmetropolitan counties, Cache and neighboring Box Elder have very low and stable or declining unemployment rates, but also very slow job growth. Another pair of neighbors—Washington and Iron counties—have seen rapid job growth and moderate unemployment in the past two years.

On the other end of the spectrum, Carbon and

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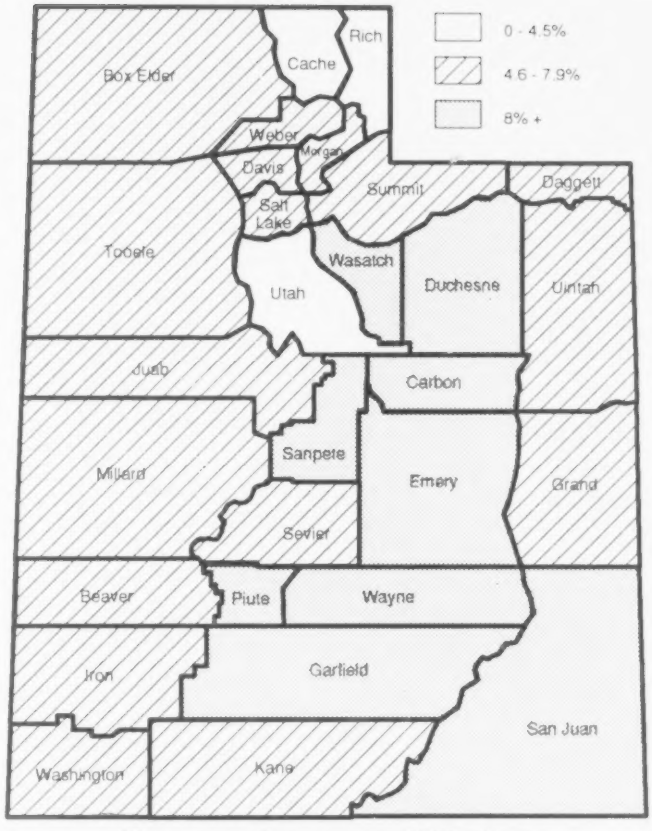


Unemployment Rates December 1991

- ***In 21 out of 29 counties, unemployment has increased noticeably.***
- ***Eight counties experienced unchanged or lower unemployment.***
- ***Compared to December 1990, 15 counties experienced slower job growth.***
- ***Garfield County faces a bleak economic picture.***

Continued from page 7

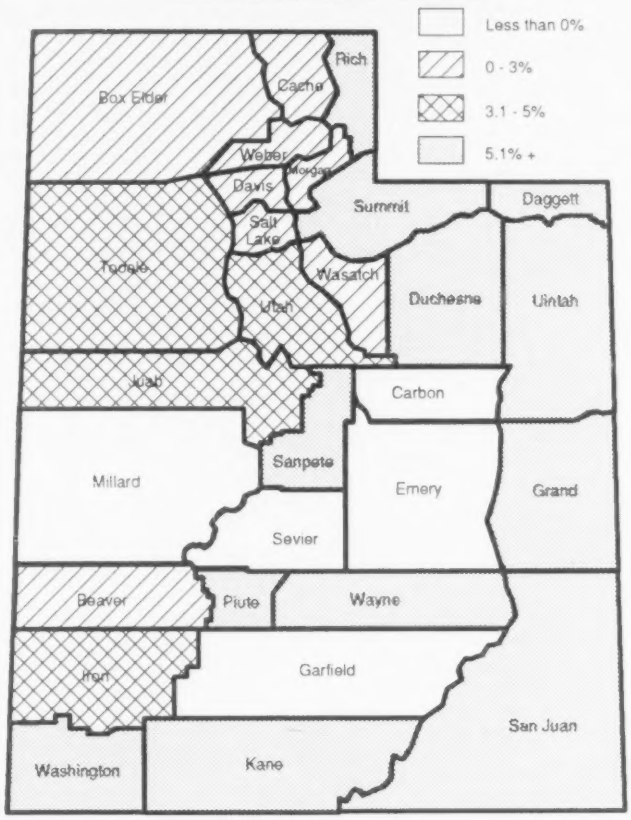
Emery counties suffered substantial job losses in 1991 following minimal job growth in 1990; unemployment is high and increasing in these areas.

Several counties are experiencing the seemingly contradictory condition of moderate-to-high unemployment and fairly rapid job growth—notably Duchesne, Piute, San Juan, Sanpete, and Wayne. Their job growth occurred in only a narrow range of the labor market and has not relieved the chronic unemployment.

Garfield county faces the worst economic conditions. Unemployment is nearly 20 percent of the labor force; and in the past 12 months, the county has lost nearly 10 percent if its nonfarm jobs. Declines in the logging industry account for this dismal picture.❐

Kenneth E. Jensen
Labor Market Economist

Year-Over Percent Change in Nonfarm Jobs December 1991



Metro Areas

Table 3. Civilian Labor Force and Nonfarm Jobs for SaltLake/Ogden and Provo/Orem Metropolitan Statistical Areas *(Numbers in Thousands)*

	Salt Lake/Ogden					Provo/Orem				
	Dec 1991(f)	Dec 1990	Percent Change	Nov 1991(p)	Oct 1991(r)	Dec 1991(f)	Dec 1990	Percent Change	Nov 1991(p)	Oct 1991(r)
Civilian Labor Force	**519.8**	**520.8**	**-0.2**	**520.7**	**520.1**	**125.9**	**121.4**	**3.7**	**124.8**	**123.4**
Employed	497.0	502.3	-1.1	497.4	497.5	120.1	116.9	3.4	118.9	118.5
Unemployed	22.8	18.5	23.2	23.3	22.6	5.0	4.5	11.1	5.9	5.1
Rate	4.4	3.6	—	4.5	4.3	4.0	3.7	—	4.7	4.1
Total Nonfarm Jobs	**517.7**	**508.2**	**1.9**	**517.0**	**514.6**	**104.6**	**100.1**	**4.5**	**104.5**	**103.5**
Mining	3.0	2.9	3.4	3.0	3.0	0.1	0.0	—	0.1	0.1
Construction	21.3	20.2	5.4	21.8	21.6	4.6	3.2	43.8	4.8	4.8
Manufacturing	69.0	70.5	-2.1	69.1	70.0	14.2	14.5	-2.1	14.1	14.2
Durable	47.1	48.8	-3.5	47.1	47.8	9.2	8.9	3.4	9.0	9.2
Nondurable	21.9	21.7	0.9	22.0	22.2	5.0	5.6	-10.7	5.1	5.0
Trans/Comm/Utilities	34.3	33.9	1.2	33.9	33.9	2.5	2.5	0.0	2.5	2.4
Trade	130.8	127.8	2.3	129.2	125.8	24.5	24.3	0.8	24.4	23.6
Wholesale	32.7	31.7	3.2	32.7	32.3	5.0	4.7	5.4	4.9	4.7
Retail	98.1	96.1	2.1	96.5	93.5	19.5	19.6	-0.5	19.5	18.9
Fin/Ins/Real Estate	29.8	28.6	4.2	29.7	29.9	2.4	2.3	4.3	2.4	2.4
Service	129.6	125.7	3.1	129.0	129.4	40.4	38.2	5.8	40.2	40.3
Government	99.9	98.6	1.3	101.3	101.0	15.9	15.1	5.3	16.0	15.7

Source: Utah Department of Employment Security, Labor Market Information Services

By County

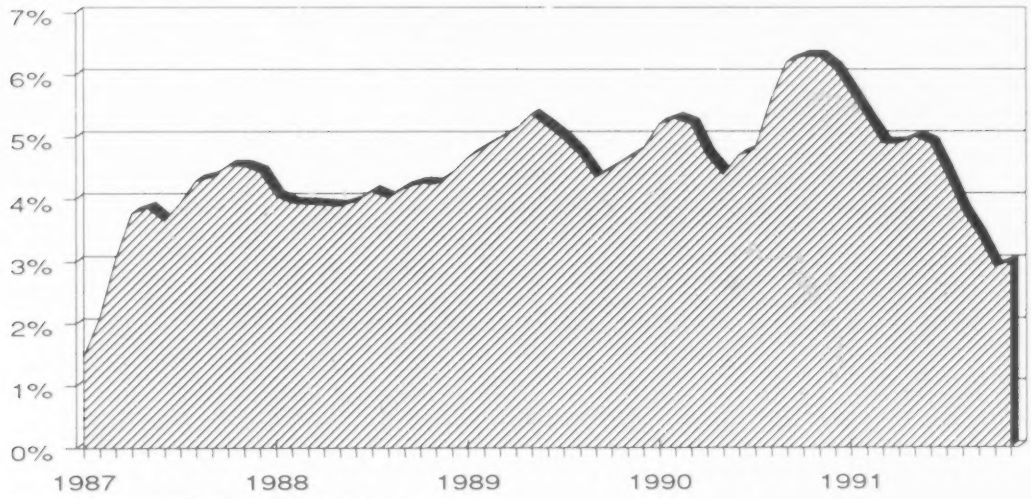
Table 4. Unemployment Rates and Nonfarm Jobs in Utah by County

	Seasonally Adjusted Unemployment Rate				Nonfarm Wage and Salary Jobs				
	Dec 1991(f)	Nov 1991(p)	Oct 1991(r)	Dec 1990	Dec 1991(f)	Dec 1990	Percent Change	Nov 1991(p)	Oct 1991(r)
STATE TOTAL	**5.2**	**5.4**	**5.1**	**4.2**	**764,300**	**746,940**	**2.3**	**762,900**	**759,300**
Bear River	**3.9**	**4.5**	**4.0**	**4.0**	**45,250**	**44,880**	**0.8**	**45,450**	**45,620**
Box Elder	4.7	5.6	4.6	4.3	15,260	15,260	0.0	15,380	15,490
Cache	3.3	3.9	3.8	3.9	29,610	29,260	1.2	29,690	29,730
Rich	1.5	6.0	1.3	1.4	380	360	5.6	380	400
Wasatch Front	**5.1**	**5.1**	**4.9**	**4.1**	**529,000**	**519,340**	**1.9**	**528,260**	**525,950**
Wasatch Front North	**5.3**	**5.3**	**5.4**	**5.2**	**128,830**	**127,520**	**1.0**	**129,020**	**129,180**
Davis	4.7	4.6	4.7	4.3	60,390	59,910	0.8	59,930	60,880
Morgan	6.7	7.7	6.2	6.0	1,010	1,000	1.0	1,040	1,060
Weber	6.0	6.0	6.1	5.9	67,430	66,610	1.2	68,050	67,240
Wasatch Front South	**5.0**	**5.0**	**4.7**	**3.9**	**400,170**	**391,820**	**2.1**	**399,240**	**396,770**
Salt Lake	5.0	5.0	4.6	3.8	389,690	381,670	2.1	388,770	386,290
Tooele	6.5	6.0	6.3	5.5	10,480	10,150	3.3	10,470	10,480
Mountainland	**4.8**	**5.6**	**5.0**	**3.8**	**117,120**	**111,760**	**4.8**	**115,480**	**113,660**
Summit	6.8	7.0	7.0	5.5	9,970	9,220	8.1	8,550	7,700
Utah	4.5	5.4	4.7	3.6	104,600	100,020	4.6	104,370	103,330
Wasatch	9.6	9.8	9.3	7.1	2,550	2,520	1.2	2,560	2,630
Central	**8.2**	**8.3**	**7.7**	**6.5**	**15,920**	**15,600**	**2.1**	**16,140**	**16,210**
Juab	7.8	8.5	8.8	5.1	1,850	1,790	3.4	1,880	1,900
Millard	5.0	5.9	4.3	4.3	3,430	3,510	-2.3	3,450	3,540
Piute	14.4	13.1	12.2	9.3	210	190	10.5	220	220
Sanpete	11.4	10.5	9.8	9.8	4,880	4,580	6.6	4,980	4,890
Sevier	7.0	7.4	7.9	5.4	4,980	5,000	-0.4	5,010	5,010
Wayne	9.2	9.4	5.7	8.2	570	530	7.5	600	650
Southwestern	**5.8**	**5.9**	**5.5**	**5.4**	**28,440**	**27,330**	**4.1**	**28,530**	**28,680**
Beaver	6.0	8.1	7.4	4.5	1,260	1,250	0.8	1,280	1,320
Garfield	17.8	13.6	9.2	10.4	1,290	1,300	-8.5	1,390	1,660
Iron	4.6	5.3	5.0	5.2	8,190	7,910	3.5	7,970	7,730
Kane	6.6	7.4	7.6	5.4	1,490	1,390	7.2	1,570	1,660
Washington	5.8	5.2	5.0	4.9	16,310	15,480	5.4	16,320	16,310
Uintah Basin	**7.7**	**7.6**	**7.4**	**7.3**	**12,000**	**11,070**	**8.4**	**12,270**	**12,180**
Daggett	5.6	5.6	1.9	1.9	300	280	7.1	340	390
Duchesne	9.6	10.5	9.3	8.8	3,940	3,710	6.2	3,930	3,910
Uintah	7.7	6.3	6.8	6.0	7,760	7,080	9.6	8,000	7.880
Southeastern	**9.4**	**9.4**	**8.6**	**8.1**	**16,580**	**16,820**	**-1.4**	**16,790**	**17,010**
Carbon	9.2	9.2	8.3	6.4	7,350	7,780	-5.5	7,390	7,330
Emery	11.5	11.5	10.5	9.0	3,360	3,530	-4.8	3,380	3,440
Grand	7.6	8.4	8.2	7.3	2,430	2,290	6.1	2,490	2,630
San Juan	9.8	9.0	8.1	10.4	3,440	3,220	6.8	3,530	3,610
Salt Lake/Ogden MSA	**5.1**	**5.1**	**4.8**	**4.1**	**517,700**	**508,200**	**1.9**	**517,000**	**514,600**
Provo/Orem MSA	**4.5**	**5.4**	**4.7**	**3.6**	**104,600**	**100,020**	**4.6**	**104,370**	**103,330**

Source: Utah Department of Employment Security, Labor Market Information Services.

Note: Seasonally adjusted unemployment rates should not be used for federal or state funding applications.

Year-over Percent Increase in U.S. Consumer Price Index



Source: U.S. Department of Labor, Bureau of Labor Statistics

PRICES

Table 5. Current U.S. Price Indexes

	Index		% Change From	
	Nov 1991	Nov 1990	Prior Year	Prior Month
CONSUMER PRICES (1982-84=100)				
ALL ITEMS (CPI-U[1])	**137.8**	**133.8**	**3.0**	**0.3**
Food and Beverages	136.9	133.7	2.4	0.3
Food at Home	135.0	133.8	0.9	0.4
Housing	134.7	130.4	3.3	0.0
Rent Residential	145.0	140.7	3.1	0.3
Fuel and Other Utilities	115.3	112.9	2.1	-0.3
Medical Care	181.8	168.4	8.0	0.6
Apparel and Upkeep	132.9	127.5	4.2	0.2
Transportation	125.0	126.9	-1.5	0.8
Gasoline	99.1	118.8	-16.6	0.9
Energy[3]	101.8	110.9	-8.2	0.0
PURCHASING POWER OF CONSUMER DOLLAR: (1982-84 = $1.00)	**$0.726**	**$0.748**	**-2.9**	**-0.3**
ALL ITEMS (CPI-W[2])	**135.8**	**132.2**	**2.7**	**0.3**
PRODUCER PRICES (1982 = 100)				
ALL COMMODITIES	**116.4**	**120.1**	**-3.1**	**0.0**
Finished Goods	122.3	122.9	0.0	-0.5
Intermediate Materials	114.1	117.9	-3.2	0.0
Crude Materials	99.7	116.7	-14.6	0.1

1 Consumer Price Index—All Urban Consumers.

2 Consumer Price Index—Urban Wage Earners and Clerical Workers.

3 Energy is a special group index consisting of prices paid for the following: fuel oil, coal, bottled gas, electricity, gasoline, and motor oil and coolant. It is not one of the components of the "All Items" as its subcomponents are already included.

Source: U. S. Department of Labor, Bureau of Labor Statisitcs.

Job Service

Table 6. Employment Security Activities in Utah

	Dec 1991(p)	Dec 1990	Percent Change	Nov 1991
Nonfarm Jobs Available	20,583	18,874	10.2	23,759
New Applications for Jobs	7,278	6,689	8.8	8,748
Total Nonfarm Job Placements	5,975	5,683	5.1	7,079
Initial Claims	1,958	1,785	16.7	1,076
Weeks Claimed	13,438	8,400	26.2	8,202
Insured Unemployment Rate	1.87	1.55	—	1.14
Benefits Paid (Monthly)	$7,266,565	$4,996,671	33.0	$5,215,292

Note: All claims data include Regular UI, UCFE, and UCX claims only and are listed for the week containing the 15th day of the month.

Source: Utah Department of Employment Security, Labor Market Information Services.

New Data, New Publications

The following data and/or publications are now available:

- ☐ *Annual Report of Labor Market Information, 1990.*
- ☐ *Annual Report of Job Service Activities, 1990*

If you would like to receive copies, please check the desired items and fill in your name and address.

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Mail to: Labor Market Information Services, Utah Department of Employment Security,
P.O. Box 11249, Salt Lake City, UT, 84147-0249.

Hours and Earnings

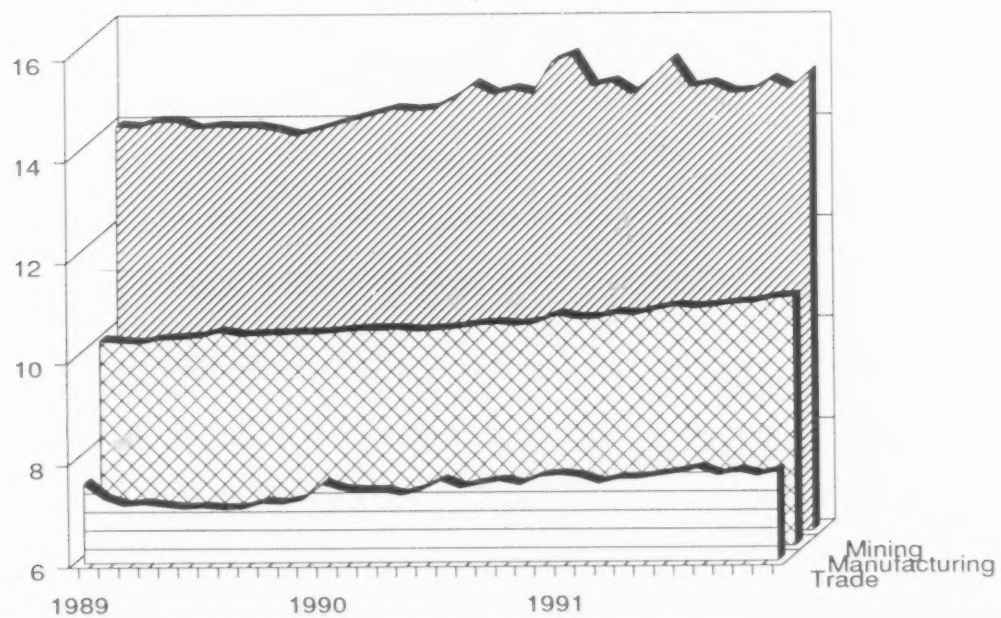
Table 7. Hours and Earnings of Production Workers in Utah

	Average Hourly Earnings				Average Weekly Hours			
	Nov 1991(p)	Nov 1990	% Chng	Oct 1990(r)	Nov 1991(p)	Nov 1990	% Chng	Oct 1990(r)
MINING	**15.03**	**15.25**	**-1.4**	**14.70**	**44.7**	**44.7**	**0.0**	**43.5**
Metal Mining	14.02	13.71	2.3	13.64	45.0	46.3	-2.8	45.6
Bituminous Coal Mining	18.11	18.37	-1.4	17.55	44.6	43.4	2.8	40.1
MANUFACTURING	**10.89**	**10.39**	**4.8**	**10.87**	**40.8**	**40.2**	**1.5**	**40.3**
Durable Goods	11.19	10.68	4.8	11.18	40.8	40.6	0.5	40.6
Primary Metals	13.71	13.27	3.2	13.67	40.8	40.7	0.2	40.1
Fabricated Metal Prod. and Mach.	10.80	10.09	7.0	10.77	41.2	40.0	3.0	40.6
Transportation Equipment	13.75	13.29	3.5	13.52	41.7	42.2	-1.2	40.7
Nondurable Goods	10.34	9.81	5.4	10.26	40.9	39.5	3.5	39.7
Food and Kindred Products	9.34	8.72	7.1	9.25	43.4	39.5	9.9	41.4
TRADE	**7.76**	**7.51**	**3.3**	**7.67**	**28.2**	**28.6**	**-1.4**	**28.2**
Wholesale	10.28	10.10	1.8	10.27	36.1	37.1	-2.7	35.5
Retail	6.88	6.57	4.7	6.76	26.2	26.5	-1.1	26.3
Food Stores	7.21	6.36	13.3	7.39	25.1	25.8	-2.7	25.1
General Merchandise	6.27	6.08	3.1	6.24	27.0	27.5	-1.8	27.5

Note: Average hours include hours actually worked or remunerated. Average hourly earnings include incentive and premium pay. Data may be affected by labor disputes.

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Average Hourly Wage for Selected Industries



Source: Utah Department of Employment Security, Labor Market Information Services

A Look Forward and Back—Utah's Labor Force 1991 and 1992

Despite declining economic growth during 1991, Utah's labor market registered an above-average year. The 1992 outlook is for gradual improvement.

Review Of 1991

During 1991, the number of Utah's nonagricultural jobs increased by 22,000, a 3.0 percent growth rate. Although this job growth represents a considerable slowdown from 1990's 32,400-job, 4.7-percent increase, the 1991 rate exceeds the State's 10-year average. Moreover, it is one of the most rapid in the country and compares favorably with the actual year-over decrease in jobs experienced by the U.S. labor market.

Unemployment, averaging 40,000 workers in 1991, comprised 5 percent of Utah's labor force. Although Utah's 1991 figures are somewhat higher than 1990's 34,000 (4.3 percent) unemployed, Utah's 1991 unemployment rate will likely rank among the lowest five states in the nation and will be nearly 2 percentage points lower than the national average. Much of the increase in Utah's unemployed was new entrants and re-entrants to the labor force; a smaller portion was persons laid off from Utah jobs. This observation backs-up 1991's large population net in-migration estimated by the Utah Population Estimates Committee.

Utah's economic climate changed considerably during 1991. Early in the year, the year-over job growth rate was 4 percent; by year-end it

- *Although Utah experienced declining economic growth in 1991, the outlook for 1992 is for gradual improvement.*
- *During 1991, Utah nonagricultural employment increased by 3.0 percent (22,000 jobs).*
- *Unemployment average 40,000 workers in 1991—5 percent of Utah's labor force.*
- *In 1992, unemployment should hold steady at about 5 percent with a 2.7 percent increase in nonfarm jobs.*
- *The anticipated 1992 recovery should set the stage for an even better 1993.*
- *However, Utah's vitality depends to a considerable extent on the U.S. economy.*

Continued on page 14

Utah Labor Force and Nonagricultural Jobs 1989-1992

	1989	1990	1991(p)	1992(f)	% Change 89-90	% Change 90-91	% Change 91-92
Civilian Labor Force (000s)	**789.0**	**792.0**	**805.0**	**814.0**	**0.4**	**1.6**	**1.1**
Employed	752.0	758.0	765.0	773.0	0.8	0.9	1.0
Unemployed	37.0	34.0	40.0	41.0	-8.1	17.6	2.5
Unemployment Rate	4.6	4.3	5.0	5.0			
Nonagricultural Jobs (000s)	**691.2**	**723.6**	**745.6**	**766.0**	**4.7**	**3.0**	**2.7**
Mining	8.1	8.6	8.6	8.4	6.2	0.0	-2.3
Construction	25.9	27.8	31.4	33.4	7.3	12.9	6.4
Manufacturing	103.1	107.1	106.0	105.0	3.9	-1.0	-0.9
Trans/Comm/Utilities	40.9	42.3	42.6	43.2	3.4	0.7	1.4
Trade	166.4	172.4	178.3	184.0	3.6	3.4	3.2
Fin/Ins/Real Estate	33.4	34.1	35.8	37.0	2.1	5.0	3.4
Services	167.2	180.8	189.2	198.0	8.1	4.6	4.7
Government	146.3	150.6	153.8	158.0	2.9	2.2	2.7
Goods-Producing	137.1	143.5	146.0	146.8	4.7	1.7	0.5
Service-Producing	554.2	580.1	599.6	619.2	4.7	3.4	3.3
Percent Service Producing	80.2	80.2	80.4	80.8			

Source: Utah Department of Employment Security, Labor Market Information Services

p=preliminary, f=forecast

had slowed to 2.3 percent. The unemployment rate also reflects this change. It increased from 4 percent in April to 5.4 percent in August and November. However, despite the deterioration shown by these statistics, Utah finished 1991 in much better shape than most states in the nation.

Construction proved to be the "surprise" industry of 1991. Despite the national economic slowdown, Utah's strong housing market and some large nonresidential projects caused a 3,600-job, 13-percent increase in employment in this sector. Construction jobs averaged 31,400, the largest number since 1986.

Following the pattern of the past few years, the industry employing the largest number of Utah workers—services—again produced the largest number of new jobs of all Utah industries. These 8,400 new service jobs occurred mainly in health and business services and are an increase of 4.6 percent over 1990's figure. In contrast, the 1989-90 services-industry job growth was 8.1 percent.

Led by increases in wholesale trade, the trade sector's job total grew at an above-average pace for the year, but by year-end it had dropped to 2.5 percent. Trade added 5,800 new jobs in 1991.

Continued on page 15

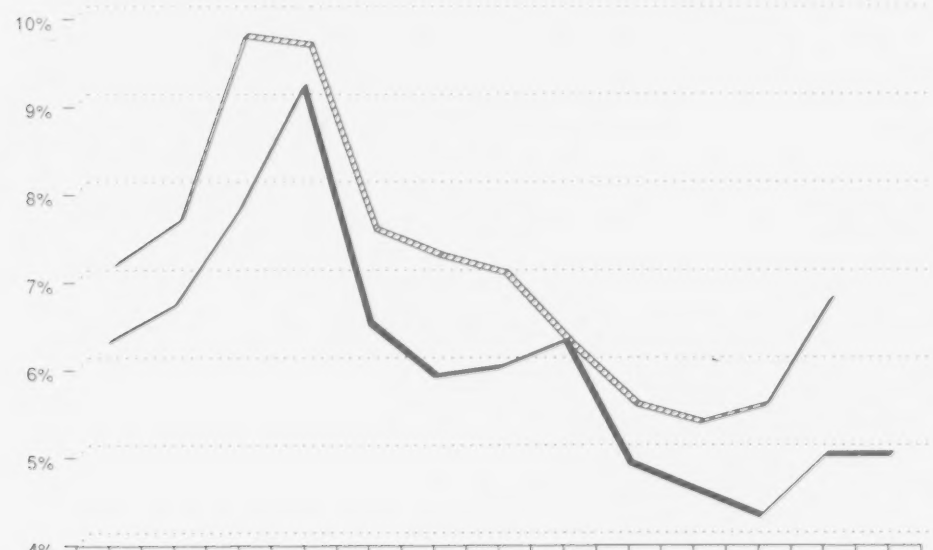
The remaining major industries experiencing employment increases in 1991 are government, finance/insurance/real estate (FIRE), and transportation/communications/public utilities (TCPU). Despite the loss of over 1,000 federal defense jobs, government employment increased at a modest rate (2.2 percent); 3,300 new jobs were added to public sector payrolls. Surging out of the doldrums, FIRE increased its employment by 1,700 jobs (5.0 percent) largely because of the opening of various new financial service centers. Exhibiting scarcely any job growth but also no losses, the industries within TCPU added, in aggregate, only 300 jobs, a one-percent increase.

Utah's manufacturing industry, despite strength early in the year, finally succumbed to the economic pressures of the recession and defense-spending cutbacks. By year-end, job losses had exceeded 2,000 and were widespread throughout most sectors; the annual averages show a one-percent, 1,100-job loss for the industry.

Despite periodic layoffs in coal mining and minimal employment growth in the other mining activities, the mining industry netted no change in average annual employment.

Continued on page 16

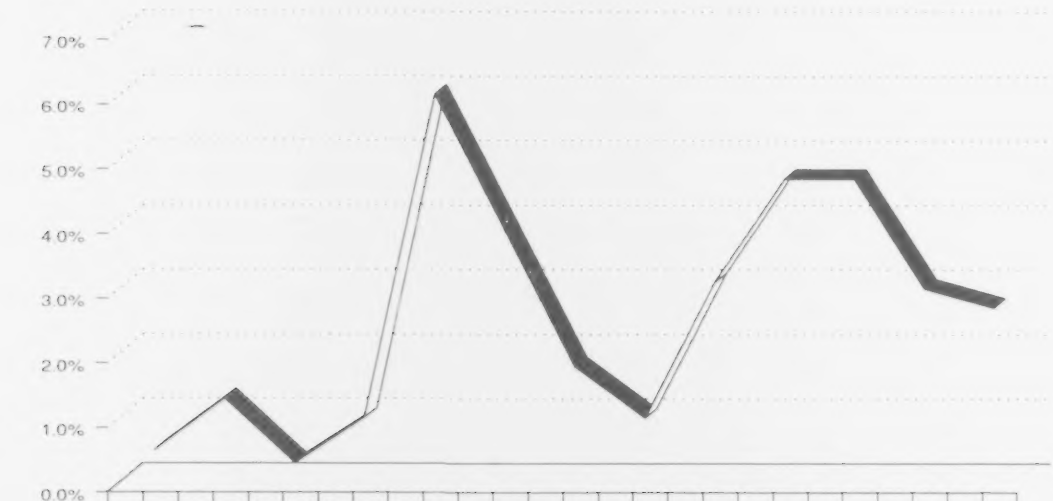
Utah and U.S. Unemployment Rates



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
U.S.	7.1%	7.6%	9.7%	9.6%	7.5%	7.2%	7%	6.2%	5.5%	5.3%	5.5%	6.7%	
Utah	6.3%	6.7%	7.8%	9.2%	6.5%	5.9%	6%	6.3%	4.9%	4.6%	4.3%	5%	5%

Source: Utah Department of Employment Security, Labor Market Information Services

Utah Growth in Nonfarm Jobs



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
	0.5%	1.3%	0.3%	1.0%	6.0%	3.9%	1.8%	1.0%	3.1%	4.7%	4.7%	3.0%	2.7%

Source: Utah Department of Employment Security, Labor Market Information Services

FORECAST FOR 1992

The economic decline experienced by Utah's labor market during most of 1991 is expected to bottom out soon. We anticipate 1992 to be a year of gradual recovery. Unemployment should remain moderate, and job growth should improve as the year progresses. In terms of numbers, Job Service economists predict 1992's summary statistics to be essentially the same as those of 1991: The unemployment rate at 5 percent and nonfarm employment growth at 2.7 percent.

Manufacturing and mining are both expected to suffer 1-to-2-percent job losses for 1992 because the national markets for their products will not recover rapidly from the recession.

Although some of the large construction projects have been completed, ample demand for multifamily housing still exists, and low interest rates may facilitate additional residential construction. Thus, employment in Utah's construction industry should moderate in 1992, but a still-rapid 2,000-job, 6.4-percent increase is forecasted.

The remaining major industries should all see employment increases in 1992; they will range from modest to fairly rapid. Services will likely produce roughly 9,000 new jobs, a relatively rapid growth rate of 4.7 percent. Despite several

Continued on page 17

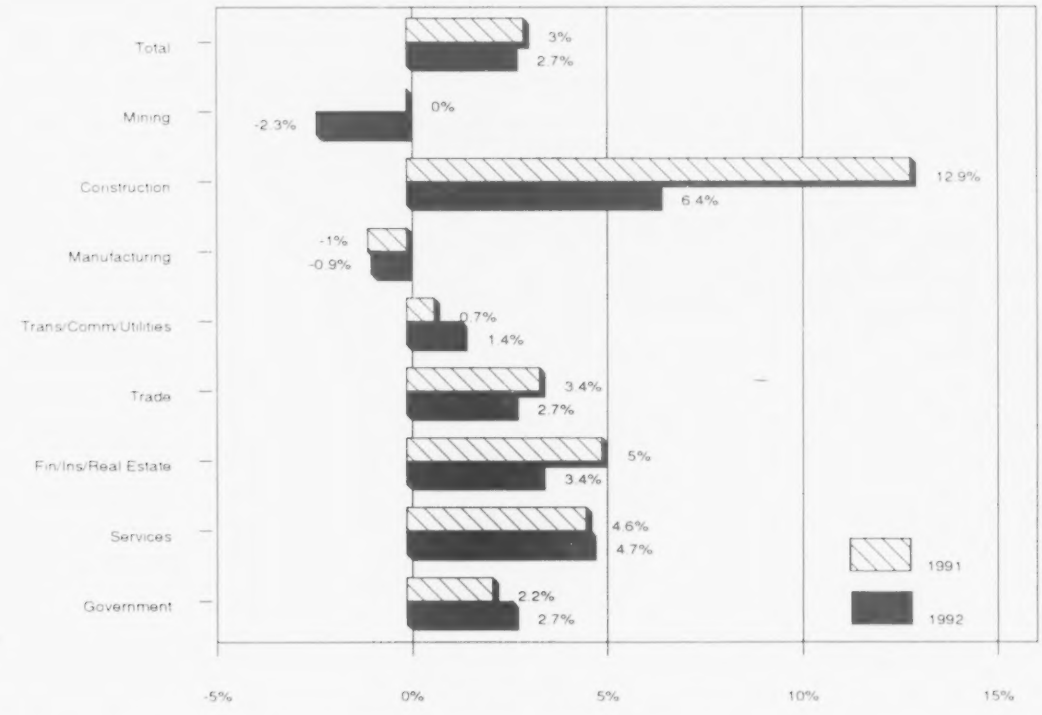
new retail and wholesale facilities under construction, trade employment growth will slow somewhat from its 1991 new jobs production; 4,900 at 2.7 percent are the anticipated statistics. Transportation/communications/public utilities should step up its job growth to 1.4 percent (600 jobs).

The developments which occurred in finance/insurance/real estate in 1991 were largely one-time. Employment growth in this industry should slow to 1,200 jobs, a still-respectable 3.4 percent rate. Conversely, public sector growth should increase somewhat: no additional federal layoffs are anticipated, and state and local increases will likely resemble those of 1991. The result—a 2.7 percent, 4,200-job employment increase for government.

Thus, the economic turn-around anticipated for 1992 should set the stage for an even-better 1993. Nevertheless, as we have seen during 1991, Utah's vitality depends to a considerable extent on the United States economy. If the U.S. recovery falters in 1992, Utah will again feel the effects.❐

Kenneth E. Jensen
Labor Market Economist

Utah Nonfarm Job Growth by Industry

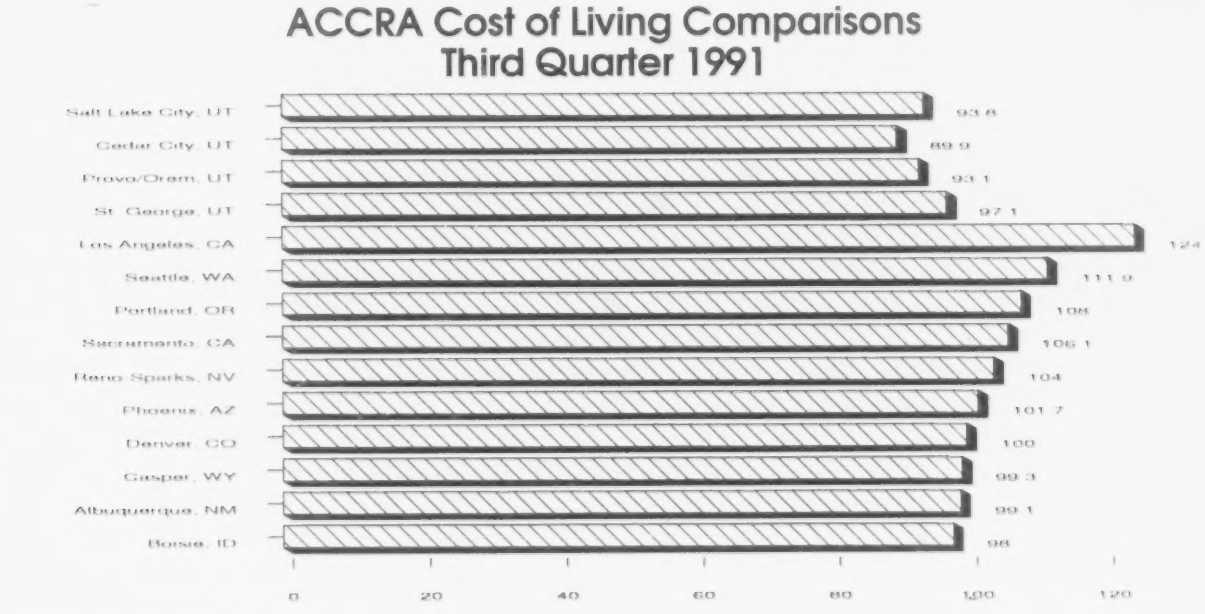


Source: Utah Department of Employment Security, Labor Market Information Services

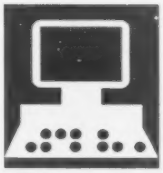
ACCRA Composite Cost-of-Living Comparisons for Selected Metropolitan Areas—THIRD QUARTER 1991

Component Weights:	100% All Items	13% Groceries	28% Housing	9% Utilities	10% Transption	5% Hlth Care	35% Misc
U.S. Average	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Salt Lake City UT	93.8	98.4	81.3	92.2	101.4	94.9	97.4
Cedar City UT (Nonmetro)	89.9	98.7	77.4	83.5	92.8	85.5	96.1
Provo-Orem UT	93.1	91.8	75.3	86.2	96.6	102.3	105.7
St George UT (Nonmetro)	96.1	91.4	99.8	82.0	102.3	98.0	101.3
Western States							
Phoenix AZ	101.7	94.6	94.3	99.8	106.8	122.3	104.9
Los Angeles CA	124.6	102.8	196.3	76.0	107.8	134.1	107.2
San Diego CA	106.1	100.2	112.7	82.2	109.3	118.6	109.2
Denver CO	100.0	93.7	101.8	95.9	105.3	117.6	97.3
Boise ID	98.0	94.6	109.1	76.1	90.2	108.6	100.6
Las Vegas NV	104.0	96.9	125.1	81.8	98.0	116.2	100.3
Albuquerque NM	99.1	91.3	100.6	95.6	98.2	105.4	102.6
Portland OR	108.0	100.9	134.0	71.6	103.4	129.0	103.3
Seattle WA	111.9	105.2	147.8	62.3	109.6	133.9	103.5
Casper WY	99.3	102.2	95.8	93.7	102.0	104.2	99.8
Other Areas							
Juneau AK (Nonmetro)	129.1	127.0	151.8	101.2	105.8	183.1	121.5
Atlanta GA	100.1	98.1	99.2	114.1	98.9	108.8	95.1
St. Louis MO	97.0	96.3	96.8	91.8	98.3	100.4	98.2
Nassau-Suffolk NY	213.3	144.6	417.3	202.1	120.9	199.3	150.3
Houston TX	102.6	105.8	91.4	100.8	115.1	103.5	103.9
***Highest City**	Framingham-Natcik MA 134.8	Washington DC 118.2	LA-Long Beach CA 196.3	Philadelphia PA 185.0	Framingham MA 131.7	Bellingham WA 143.5	Washington DC 117.7
***Lowest City**	Loveland CO 84.8	Wichita KS 79.7	Longview TX 65.6	Tacoma WA 59.6	Hickory NC 83.6	Fayetteville AR 73.4	St. Joseph MO 83.8

*Does not include cities in Alaska or New York.
Source: American Chamber of Commerce Researchers Association.



Source: American Chamber of Commerce Researchers Association.



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Data Definitions

(f)—forecast.

(p)—preliminary.

(r)—revised.

Salt Lake/Ogden Metropolitan Statistical Area (MSA)—Salt Lake, Davis, and Weber counties.

Provo/Orem Metropolitan Statistical Area (MSA)—Utah County.

Employed Persons—Civilians who did any work as paid employees, worked more than 15 hours as unpaid workers in a family business, or were temporarily absent from work because of illness, bad weather, vacation, labor-management disputes. Each person is counted only once.

Unemployed Persons—Civilians who had no employment, were available for work, and made specific efforts to find work sometime during the prior four weeks. Persons waiting to be recalled to a job or waiting to report for a new job within 30 days need not be looking for work to be classified as unemployed.

Civilian Labor Force—Employed persons plus unemployed persons. Individuals are counted by place of residence.

Unemployment Rate—Unemployed persons as a percentage of the civilian labor force.

Nonfarm Employment—A count of jobs by place of work for the pay period including the 12th of the month. Excludes proprietors, the self-employed, unpaid/volunteer workers, military personnel, Central Intelligence Agency employees, and employees of the National Security Agency. Includes salaried officers of corporations.

Production and Related Workers—Includes working supervisors and all nonsupervisory workers closely associated with the production process.

Average Weekly Hours—The average hours for which pay was received during the pay period including the 12th of the month. Includes paid holidays, vacations, and sick leave.

Average Weekly Earnings—Includes hourly and incentive pay and is reported before deductions. Includes pay for overtime, holidays, vacation, and sick leave.

Initial Claims—Requests by individuals following a period of unemployment to determine entitlement to compensation under unemployment compensation laws .

Weeks Claimed—Requests for weekly unemployment insurance benefits filed by claimants.

Insured Unemployment Rate—The ratio of (1) the number of weeks claimed by individuals under the unemployment compensation program to (2) average employment covered by the program.

Reserve Fund Balance—Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Utah Labor Market Report

Floyd G. Astin, Administrator

William R. Horner, Director, Labor Market Information Services

Lecia Parks Langston, Chief Economist

The Utah Labor Market Report is published by the Labor Market Information Services Division of the Utah Department of Employment Security, 140 East 300 South, Salt Lake City, Utah. To order this publication, call (801) 536-7812.

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